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To: Water Quality Control Commission

Trisha Oeth, Administrator, WQCC

From: Tammy Allen, Restoration and Protection Unit Manager, WQCD

Aimee Konowal, Watershed Section Manager, WQCD

Date: April 6, 2018

Re: Initial Recommendation for the 2018 Nonpoint Source Program Funding Cycle

Introduction

Through this memorandum, the Nonpoint Source (NPS) program is notifying the Water Quality Control Commission (commission) and the public about the program's initial funding recommendation for use of the 2018 Clean Water Act Section 319 NPS grant. Following public comment, the commission will make a final funding decision during an Administrative Action Hearing on May 7, 2018.

Background

The NPS program receives annual grants from the Environmental Protection Agency (EPA) under Section 319 of the Clean Water Act. The purpose for the grant funding is to support locally-sponsored projects that address priority nonpoint sources of pollution. These grants vary in amount awarded but typically there is approximately \$1,000,000 available annually for NPS watershed implementation projects and approximately \$1,000,000 available annually for NPS program staffing, watershed planning and other NPS program activities that support local groups taking local action to prevent and reduce impacts from nonpoint source pollution.

To distribute the part of the annual grant award targeted at watershed implementation and planning projects, the NPS program completes an annual Request for Applications (RFA) process. For distribution of the part of the annual grant award available for program activities, the NPS program identifies priority needs based on the NPS Management Plan. The results from the RFA process and programmatic needs assessment are the basis for the NPS program's annual funding recommendation to the commission.

2018 Funding Evaluation

Watershed Implementation Projects

For the 2018 funding cycle, the Section 319 NPS RFA solicited watershed implementation projects that would construct Best Management Practices (BMPs) identified in EPA Nine Element Watershed-Based Plans in order to restore waterbodies impaired by nonpoint sources of selenium, pathogens, sediment and/or nutrients. The RFA also included watershed implementation projects that would implement BMPs identified in EPA Nine Element Watershed-Based Plans or equivalent water quality management plans in order to protect waterbodies from further degradation due to nonpoint sources of pollution.

In response to the RFA, the NPS program received four applications with NPS funding requests totaling \$830,914. In collaboration with the Nonpoint Source Alliance and EPA, the NPS program determined all four applications were eligible for funding and effective at addressing the priorities identified in the RFA. The funding requested through these four applications is slightly less than the anticipated grant funding available for watershed implementation projects. To address this potential gap, the NPS program worked with its partners and identified construction of BMPs in the



Lower Arkansas as a fifth watershed implementation project to support should funding be available. This implementation project opportunity would take advantage of our partnership with the Colorado Department of Agriculture and the momentum we have gained in constructing BMPs in the Lower Arkansas to reduce nonpoint sources of selenium. Summary information about all five watershed implementation projects is provided below.

1. Project Title: Residential Education and Improvements to Reduce Nonpoint Source Pollution in Lower Bear Creek

Project Sponsor: Groundwork Denver NPS Funds Requested: \$96,314 Match Commitment: \$102,989

Project Description: This project reduces nonpoint source pollution from residential properties in the Bear Creek Watershed through property-specific runoff improvements and face-to-face education, a non-structural best management practice (BMP) referenced in the "Lower Bear Creek Watershed Plan" (2014). The runoff improvements and education approach will be identified based on results from the first phase of the project which is nearing completion. The Lower Bear Creek has been prioritized by the Water Quality Control Division for an E. coli Total Maximum Daily Load (TMDL), and the targeted area for this project is adjacent to the creek just downstream from where recent data indicate E. coli goes from acceptable standards to above-acceptable standards. While E. coli is the priority pollutant, nutrient and metals samples will also be collected. Trash data near the BMPs will also be collected as a surrogate measure of effectiveness of the non-structural BMPs.

2. Project Title: Little Thompson and St. Vrain Watershed Resilience Initiative, Nonpoint Source Pollution Project

Project Sponsor: Little Thompson Watershed Coalition

NPS Funds Requested: \$300,000 Match Commitment: \$247,000

Project Description: The Little Thompson and St. Vrain Creek Watershed Coalitions are partnering to sponsor an initiative to look at water quality needs and issues, planning and implementation in both the Little Thompson and St. Vrain Creek Watersheds. In collaboration with a stakeholder group, this project will identify potential best management practices (BMPs) and priority opportunities (including geographic location and stakeholder and community involvement) to implement BMPs to address nonpoint sources impacting water quality which will be evaluated as part of a water quality assessment completed in 2018. The project will also include construction of two BMPs in cooperation with the Big Thompson Conservation District to demonstrate effectiveness at reducing nonpoint source pollution to the river system. The project will include developing a collaborative, science-based monitoring and adaptive management strategy, structure, and process to ensure continuous learning and informed decision-making throughout the implementation of the resilience initiative.

3. Project Title: Restore the Gore - Westhaven Drive Nonpoint Source Treatment Project

Project Sponsor: Town of Vail NPS Funds Requested: \$134,600 Match Commitment: \$95,250

Project Description: The Westhaven Drive Stormwater Treatment Project (the project) will be completed through a partnership between the Town of Vail and Hotel Talisa. Hotel Talisa is a

major commercial lodging property with a parking garage on an 11 acre campus that straddles both banks of Gore Creek. The project seeks to remove sediment from stormwater discharged from Interstate 70, the South Frontage Road, the Hotel Talisa parking structure and Wetshaven Drive into Gore Creek via stormwater conveyances. At this time, stormwater from this drainage flows into Gore Creek untreated. The project will incorporate lessons learned from other stormwater mitigation projects completed in Vail and will utilize BMPs, including a continuous deflective separation unit and/or BMP snouts and University of Minnesota St. Anthony Falls Laboratory baffles.

4. Project Title: First Creek Stream and Riparian Restoration

Project Sponsor: U.S. Forest Service NPS Funds Requested: \$300,000 Match Commitment: \$278,366

Project Description: A combination of historic cattle and sheep grazing, vegetation manipulation, homesteading, logging and mining set the stage for the current degraded condition of the upper Elkhead Creek watershed, including First Creek. The result has been channel incision and associated bank erosion and loss of connection with the historic floodplain. The goal of this project is to restore 3.1 miles of First Creek to improve water quality. The objectives are to i) reduce erosion rates, ii) reduce stream temperature, iii) decrease width to depth ratios, iv) reconnect the stream with its floodplain and v) improve habitat for Colorado River cutthroat trout and other native species. Active restoration will focus on stabilizing streambanks and reconnecting the stream and floodplain through a combination of 1) raising channel bed elevations and regrading floodplains, 2) constructing a new channel through the historic floodplain and 3) planting riparian vegetation. Passive restoration will include livestock exclosure fences.

5. Project Title: Implementation of Best Management Practices in the Lower Arkansas River Valley

Project Sponsor: Colorado Department of Agriculture

Approximate NPS Funds Available: \$104,836

Match Commitment: \$69,891

Project Description: This project will build from BMP implementation already occurring in the Lower Arkansas River Valley to reduce nonpoint sources of selenium. Irrigation efficiency, pond and canal lining and cover crops are potential BMPs that will be utilized. Water quality monitoring will be conducted to evaluate BMP effectiveness.

Program Activities

In addition to evaluating the watershed implementation projects, the NPS program also assessed, in consultation with EPA, priority program needs discussed in the NPS Management Plan and identified the four program areas listed below for this funding recommendation.

6. NPS Outreach and Mini-Grant Program: The program ensures effective statewide distribution of NPS program information through websites, newsletters, fact sheets and events. The program also supports small, locally-sponsored outreach and education projects that range from conferences and events to bike tours and exploring opportunities to form watershed groups.

- 7. NPS Measurable Results Program: The program funds data collection, data analysis and information evaluation in order to demonstrate results from projects and programs funded through the Section 319 grant.
- **8.** NPS Abandoned Mine Lands Program: The program funds technical assistance in support of evaluating and reducing impacts to water quality caused by nonpoint sources of pollution from abandoned mine lands.
- **9.** NPS Watershed Planning and Tool Development Program: The program funds watershed planning and tool development that supports watershed planning and implementation such as the Watershed Rapid Assessment Program tools on CSU's eRAMS platform.

NPS Program Initial Funding Recommendation

Based on the evaluation of projects and programs, the NPS program recommends the following for funding:

	Sponsor	Project/Program Title	Basin	Recommendation
1	Groundwork Denver	Residential Education and Improvements to Reduce Nonpoint Source Pollution in Lower Bear Creek	South Platte	Recommended for funding
2	Little Thompson Watershed Coalition	Little Thompson and St. Vrain Watershed Resilience Initiative, Nonpoint Source Pollution Project	South Platte	Recommended for Funding
3	Town of Vail	Restore the Gore - Westhaven Drive Nonpoint Source Treatment Project	Colorado	Recommended for Funding
4	U.S. Forest Service	First Creek Stream and Riparian Restoration	Yampa	Recommended for Funding
5	Colorado Department of Agriculture	Implementation of Best Management Practices in the Lower Arkansas River Valley	Arkansas	Recommended for Funding
6	Various	NPS Outreach and Mini-Grant Program	Statewide	Recommended for Funding
7	Various	NPS Measurable Results Program	Statewide	Recommended for Funding
8	Various	NPS Abandoned Mine Lands Program	Statewide	Recommended for Funding
9	Colorado State University	NPS Watershed Planning and Tool Development Program	Statewide	Recommended for Funding

Final funding levels for each of these projects and program activities will be determined based on the federal funding allocation for the state's Section 319 grant and final project implementation plan and/or contract negotiations.